



GRANADA SANITARY DISTRICT  
OF SAN MATEO COUNTY

**MINUTES**  
**BOARD OF DIRECTORS**  
**SPECIAL & REGULAR MEETINGS**  
**June 18, 2009**

**CALL SPECIAL MEETING TO ORDER**

The Special Meeting of the Granada Sanitary District Board of Directors was called to order at 6:36 p.m.

**ROLL CALL**

President Ric Lohman, Vice President Ronald Fenech, Secretary Gael Erickson, Treasurer Matthew Clark, and Director Leonard Woren.

Staff: General Manager Chuck Duffy, District Counsel Jonathan Wittwer, and District Administrator Delia Comito (for open session only).

**GENERAL PUBLIC PARTICIPATION**

Mr. Charlie Hall spoke to the Board concerning the District's proposed purchase of a parcel of land on the Burnham strip for the construction of the wet weather overflow prevention project. He stated that he did not believe that the whole parcel needed to be purchased, and questioned whether the project could be built within existing District pipeline easements on the property. The General Manager explained that the District investigated purchasing a portion of the property, but that the seller was not interested in partitioning the parcel. The project configuration and size also make it too large to fit on existing easements. Mr. Hall then posed a series of question on a number of topics. The General Manager stated that he will provide Mr. Hall with a response to his questions prior to the next meeting.

**ADJOURN TO CLOSED SESSION**

1. **Conference with Legal Counsel – Possible initiation of litigation pursuant to subdivision (c) of Section 54956.9: (two potential cases).**
2. **Conference with Legal Counsel – Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (one potential case).**
3. **Conference with Real Property Negotiator, Chuck Duffy (Government Code Section 54956.8).**  
Negotiating parties: San Mateo County Harbor District and Granada Sanitary District, property under negotiation: APN 047-262-010.

**RECONVENE TO OPEN SESSION**

District Counsel stated there was no reportable action taken in Closed Session.

### **CALL REGULAR MEETING TO ORDER**

The Regular Meeting of the Granada Sanitary District Board of Directors was called to order at 7:39 p.m.

### **GENERAL PUBLIC PARTICIPATION**

President Lohman announced the upcoming Recycle Day.

### **ACTION AGENDA**

**1. Consideration of Status of Seacoast Franchise Fees and Audited Financial Reports and any Evidence of Compliance with Franchise Agreement presented by Seacoast and Board of Directors Determination as to Status of Seacoast Compliance and Direction to Staff as to Future Action(s) to Assure Compliance with Franchise Agreement.**

This item was continued from the last meeting to allow staff to gather additional information based upon the comments made by Seacoast General Manager Chris Porter at the May meeting. Staff subsequently reported that they had contacted the members of the Seacoast rate review ad hoc committee from the Montara Water and Sanitary District, Jim Harvey and Kathryn Slater-Carter, who both stated they did not recall any discussion of waiving the 2006 franchise fee. MWSD's accountant, who also attended that meeting, stated that he had no recollection of such a discussion occurring either. Staff also reported that no written documentation in support of the franchise fee being waived could be found. The General Manager and District Counsel both stated that Seacoast remained in default of their contractual obligations. After some discussion and due to the positive long-term relationship between Seacoast and the District, the General Manager suggested that the Board appoint an ad hoc committee to meet with Seacoast to discuss the problems at hand.

**ACTION:** Director Clark moved to find Seacoast Disposal Company in default of the Franchise Agreement for non-payment of the 2006 franchise fee and lack of receipt of the 10/31/07 and 10/31/08 audit reports. (Clark/Woren). Approved 5-0.

**ACTION:** Director Woren moved to appoint himself and Director Erickson to the ad hoc committee to meet with Seacoast Disposal. (Woren/Fenech). Approved 5-0.

**2. Consideration of Policies Effective for the November 3, 2009 Consolidated, Municipal, School and Special Election.**

**ACTION:** Director Clark moved to adopt the following candidate policy statements effective for the November 3<sup>rd</sup> election: 1) limiting the candidate's statements to 200 words; and 2) each candidate will pay for the cost of their statement. (Clark/Fenech). Approved 5-0.

**3. Consideration of District Newsletter.**

After noting some minor corrections, it was decided that the newsletter will be printed on 100% recycled paper and mailed only to owners within the four Coastsides area zip codes. The Board requested that staff present printing and all related newsletter costs to the Board for future newsletters.

**ACTION:** Director Woren moved to approve the District Newsletter. (Woren/Erickson). Approved 5-0.

**4. Consideration of SAM Recycled Water Pilot Program.**

The District's SAM board members provided an overview of the proposed pilot program. The General Manager suggested amending the resolution approving the project to include the project budget as an attached Exhibit A, and by adding each member agency's percentage allocation of the cost to that budget (MWSD 20%, GSD 30%, HMB 50%). The SAM agenda memo states that the program is being funded from existing SAM reserves.

**ACTION:** Director Clark moved to approve the Resolution, as amended above, approving and adopting the SAM Recycled Water Pilot Treatment Plant Rental Project and Budget. (Clark/Woren).

**ACTION:** Director Clark amended his motion to add that the project is funded from SAM reserves (Res. 2009-012). (Clark/Woren). Approved 5-0.

**5. Consideration of the Granada Sanitary District Budget for Fiscal Year 2009-2010.**

The General Manager reviewed the items that had been changed from the previous version of the budget presented at the May meeting. He reported that it is still uncertain as to what effect the State's budget crisis will have on the District's property tax revenues.

**ACTION:** Director Woren moved to approve the budget as presented. (Woren/Clark). Approved 5-0.

**CONSENT AGENDA**

**6. Approval of Special Meeting minutes for May 28, 2009.**

**7. Approval of June 2009 warrants totaling \$149,923.99 (Checks 3466-3495).**

**8. Approval of Assessment District distribution #12-08/09 for \$1,621.52.**

**9. Approval of May 2009 Financial Statements.**

**ACTION:** Director Woren moved to approved the Consent Agenda. (Woren/Erickson). Approved 5-0.

**DIRECTORS' COMMENTS AND COMMITTEE REPORTS**

**10. Sewer Authority Mid-Coastside.**

President Lohman stated that SAM had received a letter from the Coastside County Water District in support of the proposed recycled water pilot project, but that the letter also stated that CCWD waived none of their future rights regarding their jurisdiction over recycled water within their service area.

**11. Report on other seminars, conferences, or committee meetings.**

President Lohman reported on the ongoing Local Coastal Plan proceedings, and stated that some members of the community are misrepresenting the process being taken for approval of the plan.

**INFORMATION CALENDAR**

**12. Attorney's Report.**

**13. Treasurer's Report.**

**14. General Manager's Report.**

- Update on the SAM WWSP

**15. Administrator's Report**

The District Administrator reported on the progress in installing the Mutt Mitt dispensers at various locations throughout the district.

**16. Engineer's Report.**

**ADJOURN REGULAR MEETING**

The Regular Meeting was adjourned at 8:51 p.m.

SUBMITTED BY:

APPROVED BY:

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Chuck Duffy, General Manager

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Gael Erickson, Secretary

Date Approved: July 16, 2009